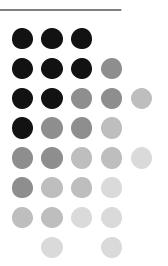
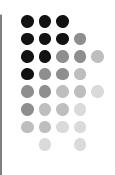
# Statewide Pricing Pilot

Working Group Meeting June 8, 2004



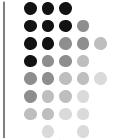


## SCE 2004 DSM Integrated Marketing and Outreach

## SCE's Outreach Strategies

- Continued DSM Portfolio promoted under "Save Energy, Save Money" umbrella to residential and non-residential customers
- Mix of media to reach diverse customers (mass media, direct mail, strategic alliances and events)
- 2004 Highlights Residential
  - Radio, Outdoor (general market & in-language)
  - Bundled mailing to 800K high use customers
  - Product specific outreach
- 2004 Highlights Non Residential
  - Bundled mailings to 288K small/mid size business and 5,000 large C&I
  - Industry specific Express Efficiency mailings
  - Product specific outreach
  - Local events partnering with trade associates and community organizations

## Bundled Product Direct Mail to 800,000 High Usage Residential Customers



2004 SUMMER DISCOUNT PLAN APPLICATION YES, I WANT TO SAVE MONEY NEXT SUMMER! Home provide all opposition for demonstrate required below. Complete allemons are assessive to demonstrate displaying of common common and the same of common and common and the same of common and comm						From simple resolutions to great solutions that can save you hundreds of dollars.	West in the confidence of the	AVE ENERGY, AVE MONEY	YOU	
						measures when the big ball draps next New Year's Eve. It's all part of our commitment to help you save energy and save			SS	SAV
Coll me between o.m. or p.m. ond o.m. or p.m.						money. Think of it as our way of helping you to keep that New Year's resolution.				JAV
hone number:										
E-Mail Address (optional)						Take a look through this catalogyou'll find a number of programs that offer double the savings: first, you'll				
Total number of working central air conditioner units at this location:  Please note: this program is not recommended for anyone anable to					or anyone unable to	save on the purchase of energy-soving measures through purchase rebates. Then, you'll save all year long with reduced energy bills because you're using energy-efficient products. Simply select the rebate, buy the				
Total number of Summer Discount Plan devices requested: significant health problems.					nperatures or having h problems.	product, fill out the ottoched application, and mad it in with the original receipts and you're on your way!				
If not desired on all central air conditioners						More questions? Call us at 800-736-4777.				
Here's an overview of your Summer Discount Plan choices  Your selections below downring  Summer Services*  Somer Services*  Som monty times and how long your					how many times and how long your	The Summer Discount Plan. It can save you				0
Value	Confort Choice	Cooling Cycle	Base—15 fimes	Enhanced—unrestricted	oir conditioner(s) may be remotely turned off. These selections also					-
Maximum Savings	100%	Off continuously for duration of event	\$100	\$200	determine the maximum amount of credit you may receive during the	up to \$200.				1
Good Value	67%	Off 20 out of every 30 minutes	\$50	\$100	Summer Season. Service under any Summer Discount Man Option					(
Maximum Confort	50%	Off 15 out of every 30 minutes	\$25	\$50	requires a minimum of one-year participation from the date service beains.					1/1
You Choose:					- sogna.					4
a Comfort Choice (deck one only)						We have a program that will positively affect your bottom line during the summer. With our Summer				
Bose*		Maximum So	vings Go	od Value A	facinum Comfort	Discount Plan, you can sove up to \$200.				A
Enhance	di				0	The Summer Discount Plan uses a small remote switch that allows us to occasionally reduce your central				
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Signature of Customer Date						book to us. But hurry! Summer will be here sooner than you thinkand enrollment in the program is an	Z o see			
Signature of Property Owner/Manager [F aggroval is needed]  Date						a first come, first-served basis.	EAD,			
formation contained in this brochure/s replate liding of terms and conditions	agglication is subject to change of service, which can be viewe	without rotice and does not no d or printed via the Internet of	place or supercede SCE's wave.sce.scen (Regulatory	Contributor approved tarifs. Please of Info Center).	eler to the corresponding DAPS and DAPSE traffs for a		OSEM			
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YOUR NEW YEAR'S RESOLUTION: SAVINGS!

WE'LL HELP YOU SAVE ENERGY,
SAVE MONEY ALL YEAR LONG.

IT'S THE PERFECT TIME TO CHANGE ... And if you already conserve Energy, we've got more ways to save







## Programs included in bundle:

- •CFLs
- •Refrigerator Rebates & Recycling
- Programmable Thermostats
- •Whole House Fans
- •AC Cycling (Summer Discount Plan)







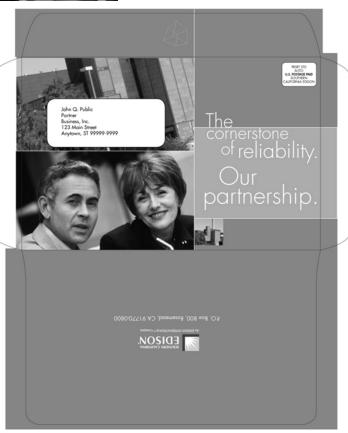
# Small/Mid size Business Bundled Direct Mail

- -EE Rebates
- -C&I Summer Discount Plan
- -Bill Manager
- -Energy Surveys

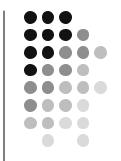
## Bundled DSM Portfolio Business Direct Mail

# Large Business Customer Bundled Direct Mail Portfolio:

- -Energy Manager Suite
- -Express Efficiency
- -Energy Audits
- -Building Operator Certification
- -Energy Centers
- -CPP
- -Demand Bidding



## Non Residential Industry Specific Direct Mail/Energy Efficiency Rebates







Hotel/Motel



Save energy and money with energy efficiency rebates for the restaurant industry.

Restaurant

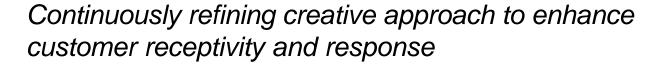


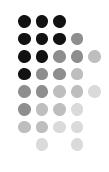




## 2004 Residential Summer Discount Plan Case Study

- Historically, Air Conditioning Cycling Program received limited promotional support and was communicated to customers from an SCE program-centric perspective
- Product design and positioning customer market research conducted prior to product roll-out used to inform optimal product design and communications
  - Customers indicated strong preference for message simplicity
  - Program renamed from Air Conditioning Cycling Program to the "Summer Discount Plan"
  - Opportunity for savings was clear customer benefit for participating
- Strategic and tactical marketing principles used to place product in market
  - Integrated campaign with synchronized timing communications platform
  - Mix of awareness and direct acquisition tactics, product specific and bundled approaches to reach diverse customer base
    - Radio (general market and ethnic in-language) for broad awareness building
    - Direct Mail (product specific and bundled) for direct acquisition
    - Website promotion
    - Direct to customer person-to-person consultative sell
- Evergreen learning process loop defined and utilized to:
  - continually refine marketing approaches and tactics
  - increase response rate
  - achieve program enrollment goals
  - drive acquisition costs down











Winter '03/04 Direct Mail



Spring/Summer '04 Direct Mail

Actual Fall '03/Winter '04

Direct Mail Campaign:

**Response Rate Overall: 2.75%** 

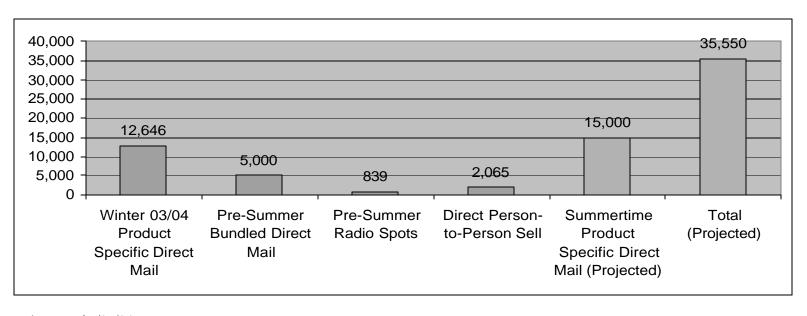
Enrollees: 12,000

Projected
Summertime '04
Direct Mail Campaign:

**Response Rate Overall: 3.15%** 

Enrollees: 15,000

## 2004 Residential Summer Discount Plan Campaign Mix and Enrollment



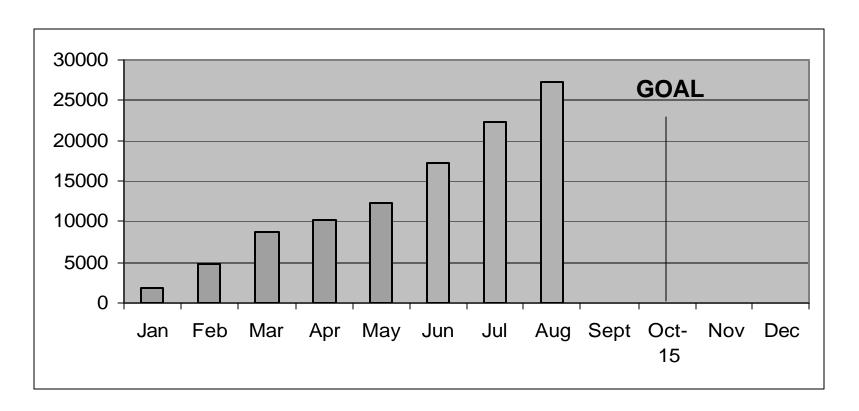
Enrollment data as of 5/27/04

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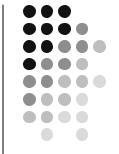


## 22,000 new service accounts enrolled by October 15

### Status and Forecast

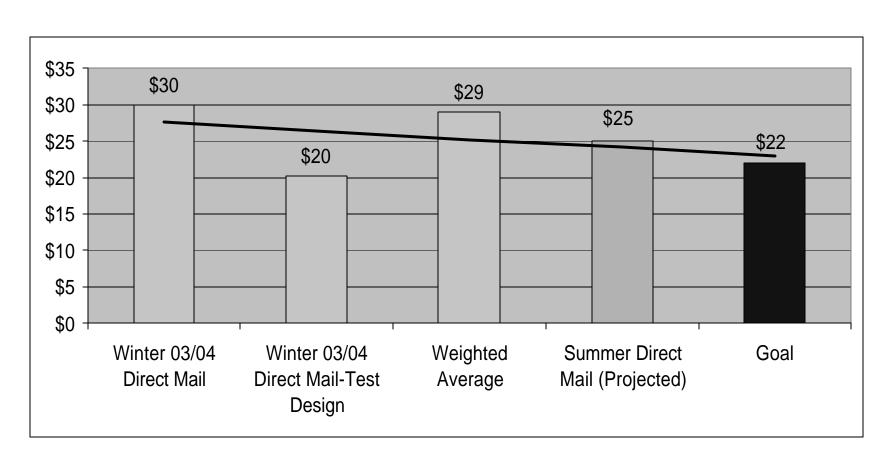


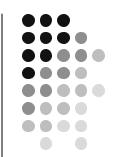
Enrollment data as of 5/27/04



## 2004 Residential Summer Discount Plan *Direct Mail* Cost Per Acquisition Goal:

\$22.00 or less





## **Key Learnings/Costs & Barriers to Success**

- Historically PGC programs funded through individual program budgets and not leveraged with other dollars.
  - This led to siloed approaches to marketing separate programs to the same customer base
- Bundling products from a customer centric perspective is a more holistic approach.
  - Customers receive coordinated communication from SCE with benefits for participation clearly defined
  - The focus of the communication remains on the customer benefit of the products rather than on the benefit to SCE enhancing program participation
  - Communication is reinforced with consistent messaging and regular customer touches
  - Approach has increased the response rates to meet program goals
- Bundling also leads to far greater cost efficiencies.
  - Costs are split between programs with strict adherence to PGC documentation and tracking to meet the rigorous PGC funding requirements
  - Leveraging PGC with other budgets extends the outreach capacity
  - Approach has proven to drive overall acquisition and product marketing costs down
- Currently, there are no technology incentives to assist customers with demand response.
- Continued uncertainty about long term administration of EE programs impacts ability to integrate messages long-term.
- California IOU's currently meeting monthly on demand response and EE.
   Looking forward these groups will work to integrate EE and demand response statewide efforts.